STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Division of Boating and Ocean Recreation

Honolulu, Hawaii 96819

November 10, 2016

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

Hawai'i

Issuance of a Revocable Permit (RP) to Atlantis Submarines Hawaii, LLC to Operate Submarine Tours and Other Maritime Related Activities at the Honokohau Small Boat Harbor, Island of Hawaii, Hawaii Tax Map Key: (3) 7-4-008-003

APPLICANT:

Atlantis Submarines Hawaii, LLC

LEGAL REFERENCE:

Sections 171-13 and -55, Hawaii Revised Statutes (HRS), as amended.

LOCATION:

Portion of Government lands of the Honokohau Small Boat Harbor (Honokohau SBH) situated at Honokohau, Island of Hawaii identified by Tax Map Key: (3) 7-4-008-003 as shown on the attached map labeled Exhibit A.

AREA:

Approximate measurement of 60' x 55' hereinafter referred to as the "Premises".

ZONING:

State Land Use District:

Conservation, Urban

County of Hawaii

CZO: Open

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act. YES X NO

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES ___ NO _X

CURRENT USE STATUS:

Atlantis Submarine built the structures on-site and is currently operating at the proposed location.

CHARACTER OF USE:

Occupancy and use the Premises for the following specified purposes: Maritime related activities to support submarine tour operations. The Permittee may also occupy and use the Premises for any other uses permitted under applicable county zoning, subject to the prior approval of the Chairperson of the Board and the Permittee's compliance with Chapter 343, Hawaii Revised Statutes.

COMMENCEMENT DATE:

The first day of the month to be determined by the Chairperson.

MONTHLY RENTAL:

\$3,000.00 per month.

COLLATERAL SECURITY DEPOSIT:

Equal to two times the monthly base rent.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

At the June 24, 2016 meeting, the Board declared that after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.

DCCA VERIFICATION:

Place of business registration confirmed: YES \underline{X} Registered business name confirmed: YES \underline{X} Applicant in good standing confirmed: YES \underline{X}

REMARKS:

On June 24, 2016, Item J-1, the Board of Land and Natural Resources (Board) authorized the issuance of an RP to Atlantis Adventures, LLC, DBA(s) Atlantis Submarines, Hawaiian Ocean Tours, Inc., and Bill Busters Charters, Inc. located at the Honokohau SBH. The Division requested the Department of the Attorney General, Land/Transportation Division, to prepare the RP. On July 20, 2016, we received a

memorandum from the Land/Transportation Division requesting clarification as to which entity listed on the submittal was supposed to be issued the RP because as it turns out the DBA's were actually different legal entities, not one entity with three trade names. After consulting with the Deputy Attorney General assigned to prepare the RP, it was decided to return to the Board to clarify which entity should be issued the RP. Also, after speaking with Atlantis Submarines, they decided that they would rather have the RP issued to Atlantis Submarines Hawaii, LLC instead of Atlantis Adventures, LLC.

The proposed area consists of four small structures and a shipping container. There is also a private driveway to the structures. The approximate measurement of 60' x 55' includes all the structures, shipping container, and driveway. The structures are directly adjacent to the slips, as noted on Exhibit B attached hereto. Photos of the structures are attached as Exhibit C.

RECOMMENDATIONS: That the Board:

- 1. Authorize the issuance of a revocable permit to Atlantis Submarines Hawaii, LLC covering the subject area for submarine tour operations under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - a. The standard terms and conditions of the most current revocable permit form, as may be amended from time to time;
 - b. Review and approval by the Department of the Attorney General; and
 - c. Subject to the prior approval of the Chairperson of the Board to best serve the interests of the State.

Respectfully submitted,

Edward R. Underwood

Administrator

APPROVED FOR SUBMITTAL:

Susanne D. Case

Chairperson

Attachments

Exhibit A

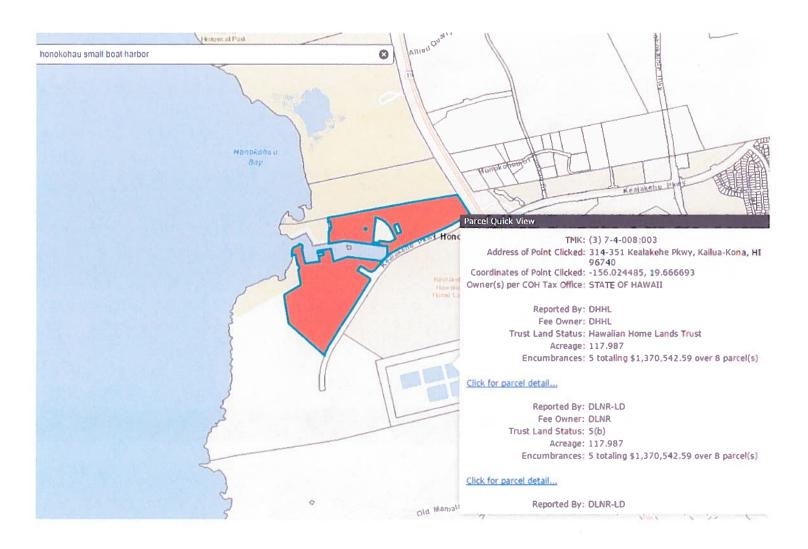
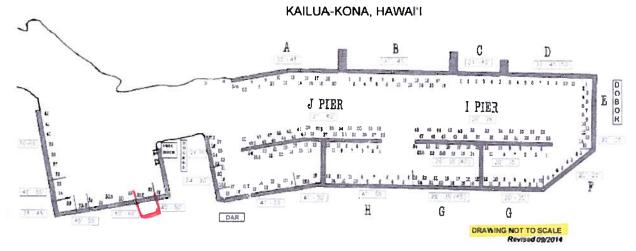
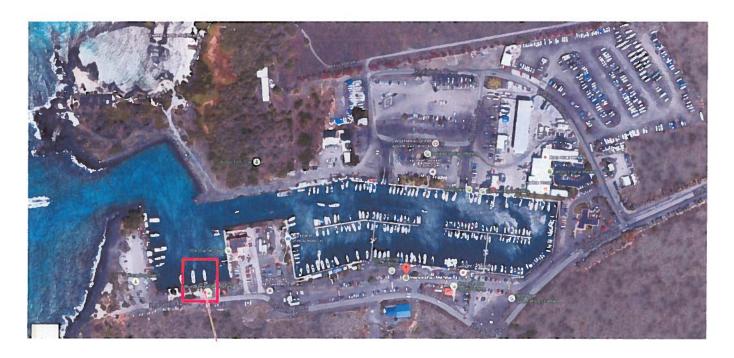


Exhibit B

HONOKŌHAU SMALL BOAT HARBOR





Approximate location of RP area

Exhibit C

Photos of the Premises





